

TSAC Update

Helping Students Achieve Their Goals Since 1974

March 2007 Vol. 9

Legislative Update

Tennessee legislators have introduced a multitude of bills to the Tennessee General Assembly which potentially impact the Tennessee higher education financial aid community, students, Tennessee institutions of higher education and TSAC.

The most recent count of bills introduced was 57, but since the final deadline for bill introduction had not passed at the time this article was prepared, more could be forthcoming. As in the past, most of the bills pertain to the Tennessee education lottery scholarship program.

Two similar TELS bills, HB0342 and SB0611, reflect input from the financial aid community at the November 21, 2006 Open Forum.

One or more of the other lottery scholarship bills now before the General Assembly would:

- Relax the 120 credit hour limitation for HOPE scholarship eligibility;
- Either relax or strengthen academic requirements for HOPE eligibility;
- Change eligibility requirements or retention requirements for the HOPE award;
- Modify restrictions that encumber home school students or dependent children of religious workers serving in foreign countries from qualifying for the HOPE award; or
- Make other adjustments to the current TELS Program.

Many bills either propose entirely new lottery scholarship funded programs or extend those that already exist. A handful of non-lottery scholarship bills have been introduced, however most pertain to general governmental administration of higher education and student financial assistance.

A more complete listing of the significant bills that TSAC is tracking during the 105th General Assembly can be found on the TSAC website, www.CollegePaysTN.com. [Click here to view the proposed legislative bills for student aid.](#)

In This Issue

- Legislative Update Page 1
- Get Ready for TSAC's Board Meeting! Page 1
- A Message from the Director's Corner Page 2
- Update on Conversion to New Loan System Page 2, 4
- Meet Jana McCall, Financial Aid Program Specialist for TSAC Page 3
- College Goal Sunday Update Page 3
- TSAC Training Page 3
- Upcoming Events Page 4
- ATTENTION Page 4

Get Ready for TSAC's Board Meeting!

TSAC's Board of Directors meeting will take place on Thursday, March 22, 2007 from 1:00 p.m. to 3:00 p.m. in the 18th floor conference room of the James Robertson Parkway Towers. The meeting agenda will be posted online after March 9 with hard copies mailed to board members and alternate designees.

A Message from the Director's Corner

Now that the Tennessee General Assembly is in session, a number of legislators have expressed their views about how the lottery-funded student aid programs might be improved or expanded. In fact, more than fifty bills have been filed

which affect these programs.

Two of these bills build upon suggestions that you made at the lottery scholarship open forum last November. HB 342 and SB 611 are very similar to each other, and propose the following changes:



- ▶ Change special "Lottery GPA" to "Institutional GPA"
- ▶ Change cutoff for certain programs from \$36,000 AGI to "Pell-eligible EFC"
- ▶ Simplify benchmark language by changing "24, 48, 72, 96, 120 credits" to "end of academic year"
- ▶ Remove prohibition of full-time students going to part-time status
- ▶ Increase HOPE Scholarship from \$3,800 to \$4,000 at 4-year schools, half that at 2-year schools, and Wilder-Naifeh from \$1,500 to \$2,000.
- ▶ Clarify Foster Child Tuition Grant amount calculation

These proposed changes are the direct result of your suggestions at the November 21 open forum. Thank you for your participation!

Bob Ruble

Update on Conversion to New Loan System

As recently communicated, TSAC's service provider has completed its conversion to a new loan servicing system, GuaranteePro. The conversion took place at the beginning of January and we were up and running by the second week meeting expectations. As with any conversion to a new system, a few unexpected system issues occurred. Our issues ranged from applications rejecting for edits that had been previously relaxed to issues with GuaranteePro communicating with e-CLIPS.

Application rejects increased for about two weeks after the conversion due to two edits being in place that had previously been relaxed. Those edits included 1) school certification dates and 2) disbursement dates being incorrectly rejected as invalid. GuaranteePro was not populating the school certification date field with the date we received the application, as it had in the past. This caused rejects for the school certification date to be invalid. The edit for this reject was re-worked and corrected as of January 22nd. Applications submitted with the second disbursement date not being past the mid-point of the loan period were also rejected. GuaranteePro was not set up correctly to factor weekends in the formula for determining the mid-point of a loan. This

issue was corrected as of January 22nd. Due to the fact that these rejects were ones that schools and lenders were not used to working on and the rejects should not have been occurring, the majority of the rejects were tackled at the servicers office in order to clear the rejected applications as soon as possible with the least amount of impact to schools and lenders.

There were also issues with data that GuaranteePro updated in e*CLIPS. These issues caused the interruption of accurate response files back from e*CLIPS. There were situations where e*CLIPS showed only one of several disbursements, or it showed the incorrect status, borrower signed dates and p-note verify fields were blanked out, and loans showed under the incorrect school code. The missing and incorrect information caused the schools and lenders much confusion and frustration. These issues have all been resolved through coding changes to GuaranteePro. While the coding changes were being made and tested, various staff members performed queries daily to identify impacted loans and make data updates where possible. Where manual data updates were not possible, clean-up efforts have been completed.

...Continued on page 4

Meet Jana McCall, Financial Aid Program Specialist for TSAC

If you've ever had the opportunity to talk with Jana McCall you probably know the vital role she plays in assisting students, parents, high school counselors and the financial aid community with a variety of questions and concerns. Jana started her journey in higher education when she joined TSAC as the assistant to Robert Biggers, TSAC's lottery scholarship program administrator. She was first drawn to the agency because of the opportunity to play a role in helping students attain their college goals.

McCall, who started with the agency over two years ago, now finds she's ready for the new challenge of managing the math & science loan forgiveness program. Additionally, her wealth of knowledge on the foster care and dual enrollment grants has been instrumental to the success of the



students who receive them.

In her spare time, this native Tennessean enjoys spending time watching her nephews play soccer, baseball or basketball. Jana is from a close-knit family and is the middle child of four girls. She is a self-professed Sudoku addict and swears that once you get started you'll be hooked. When Jana is

not busy focusing on family and friends she enjoys relaxing with her husband Jason and their two dogs Buffy and Ally.

Comments from Jana:

"Working at TSAC has been one of my best professional experiences. I love the people I work with and what we do. Just knowing that I play a small part in helping students better themselves makes me proud."

College Goal Sunday Update

Tennessee's second annual College Goal Sunday event was held February 18, 2007 at thirty-one sites across the state. Inclement weather was a factor again this year and four of our sites unfortunately had to cancel. We want to thank the more than 400 volunteers who worked so hard to bring College Goal Sunday to their communities. We are pleased to announce that over 1,400 students and family members attended. Comments on the evaluation forms were very positive about the help they received with

completing the FAFSA. We are already looking forward to next year's event.



TSAC Training

TSAC training is scheduled for March 23, 2007. The sessions for the day include: student eligibility, verification, how to certify student loans, cash management and disbursements, state programs including grants, state scholarships and lottery scholarship updates.

The training will be given at TSAC's Nashville office at 404 James Robertson Parkway. Refreshments will be served from 8:30 a.m. to 9:00 a.m. The training session will start at 9:00 a.m. The state grants and scholarships and lottery sessions will start at 1:00 p.m. Lunch will be provided. Seating is limited.

Please R.S.V.P. to Karen Myers no later than March 16, 2007 if you or your staff members plan to attend. Karen can be reached at 800-342-1663 ext. 134, direct line 615-253-7444, or by email at karen.myers@state.tn.us.

Update on Conversion to New Loan System (Continued)

The conversion also had an impact on our SSCH process. The largest issue was due to a multiple rescheduling problem for schools and lenders. This issue caused funds to move in and out of school and lender bank accounts on a repeated basis for specific borrowers. Research revealed that the multiple rescheduling was due to Application or Change Transaction files being sent to the SSCH disbursing system that had disbursement dates scheduled with a past date for disbursing. This caused SSCH to move the actual disbursement date up by one day to disburse. A Change Transaction file was then returned to GuaranteePro with the reschedule to be processed with the new date. Once this was processed on GuaranteePro, it created a Change Transaction file to be returned to SSCH for rescheduling, pulling the funds from the school, returning them to the lender after rescheduling the disbursement date up by one day, then sending the funds back to the school with the new disbursing date. This looping disbursement issue was resolved January 16th. GuaranteePro was updated with the logic of "when a Change Transaction file is

received from SSCH for a system update it will not be returned to SSCH". This stopped the issue of multiple rescheduling and impacted schools were notified.

Throughout our conversion to a new system, we identified, researched, corrected, and tested the issues that arose as fast as possible. Due to the amount of research involved in some of these issues, we were not able to meet turnaround times for returned phone calls and emails. Some issues took longer to correct than others because of the logic and program coding and testing that takes place behind the scenes. We are still finding smaller issues as we continue to operate on a daily basis, but they will not have a significant impact on our schools and lenders. We would like to thank all of our school, lender, and lender-servicer partners for working together with us during the transition to the new system.

If you are still experiencing any processing or conversion issues that have not already been reported to TSAC, please let us

know so that we may log and quickly resolve the issue. Additionally, if you do not feel that turnaround times for returned phone calls are what they should be, please let us know. Both Bill Heath and Cathy Jones, located in Nashville, are available to help TSAC with these types of issues. Now that we have converted to the new system, we look forward to providing TSAC's partners with advanced technology and great customer service to benefit Tennessee students.

Upcoming Events

- 3/22/07
TSAC Board of Directors Meeting in Nashville, TN

Upcoming Conferences:

- 4/5/07
TSAC Lender Conference
Franklin, TN
- 4/15/07 - 4/18/07
TASFAA Spring Conference in
Knoxville, TN

ATTENTION

PLEASE note that the only toll free numbers that should be given to students are as follows:

- ▶ Parents and Students with general financial aid questions need to call: (800) 342-1663 OR (615) 741-1346
- ▶ Parents and Students with LOAN DEFAULT questions must call: (800) 257-6528
- ▶ If you are an Administrator, Lender or Counselor that knows with whom you need to speak at TSAC, you may call: (866) 291-2675 OR (615) 741-3000

Please see that all automated lines, publications, etc. in your office are corrected in order to insure that accurate information is being distributed. We greatly appreciate your assistance in this matter.